



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0385	Title:	Exempt certain farm product process vehicles from def of comm motor vehicle
Primary Sponsor:	Story, Bob	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$998,985	\$1,358,620	\$1,385,792	\$1,413,508
Federal Special Revenue	(\$998,985)	(\$1,358,620)	(\$1,385,792)	(\$1,413,508)
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	(\$998,985)	(\$1,358,620)	(\$1,385,792)	(\$1,413,508)
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

If enacted as written, SB 385 will cause Montana to be in non-compliance with federal regulations, as stated in 49 CFR Part 350.341, resulting in loss of eligibility for Motor Carrier Safety Assistance Program (MCSAP) Basic and Incentive funds. Inspection expenditures would change from federal to state funding.

FISCAL ANALYSIS

Assumptions:

- As stated in 49 CFR Part 350.341, states may not exempt intrastate vehicles equal to or exceeding 26,001 pounds or exempt vehicles based on the type of transportation being performed from federal motor carrier safety regulations. Specifically, this bill would exclude vehicles 26,001 pounds or greater that are transporting agricultural processing equipment from the definition of a commercial vehicle. (example, hay grinders, combines, etc) This exclusion would mean that those vehicles would no longer be regulated by federal regulations for driver and vehicle safety considerations. This exclusion violates federal requirements in 49 CFR 350.341 and will result in the loss of Federal Motor Carrier Safety Administration grants to Montana.

2. The FY 2009 grant was \$1,305,863 and carries through the first quarter of FY 2010. With a 2 % per year increase included, the estimated loss of revenue is as follows:

FY 2010 = \$1,305,863 x 1.02 = \$1,331,980

FY 2010 = \$1,331,980 x .75 = \$998,985

FY2011 = \$1,331,980 x 1.02 = \$1,358,620

FY 2012 = \$1,358,620 x 1.02 = \$1,385,792

FY 2013 = \$1,385,792 x 1.02 = \$1,413,508

3. Without federal reimbursement for Commercial Vehicle Safety activities, Motor Carrier Service's commercial vehicle related safety expenditures would have to be funded from the highway state special revenue fund.

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
TOTAL Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$998,985	\$1,358,620	\$1,385,792	\$1,413,508
Federal Special Revenue (03)	<u>(\$998,985)</u>	<u>(\$1,358,620)</u>	<u>(\$1,385,792)</u>	<u>(\$1,413,508)</u>
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	<u>(\$998,985)</u>	<u>(\$1,358,620)</u>	<u>(\$1,385,792)</u>	<u>(\$1,413,508)</u>
TOTAL Revenues	<u>(\$998,985)</u>	<u>(\$1,358,620)</u>	<u>(\$1,385,792)</u>	<u>(\$1,413,508)</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$998,985)	(\$1,358,620)	(\$1,385,792)	(\$1,413,508)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0

Sponsor's Initials

Date

Budget Director's Initials

Date